

House File 454 - Introduced

HOUSE FILE 454
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO HSB 89)

A BILL FOR

1 An Act relating to education by modifying the duties and
2 operations of the department of education, community
3 colleges, the school budget review committee, and local
4 school boards, eliminating a reporting requirement relating
5 to vocational education funds, and including applicability
6 provisions.
7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 256.5A, Code 2013, is amended to read as
2 follows:

3 **256.5A Nonvoting member.**

4 1. a. The governor shall appoint the one nonvoting student
5 member of the state board for a term of one year ~~beginning~~
6 ~~and ending~~ if the student is enrolled in grade eleven or for
7 a term of two years if the student is enrolled in grade ten.
8 The term shall begin and end as provided in section 69.19.
9 The nonvoting student member shall be appointed from a list
10 of names submitted by the state board of education. Students
11 enrolled in either grade ten or eleven in a public school
12 may apply to the state board to serve as a nonvoting student
13 member.

14 b. The department shall develop an application process that
15 requires the consent of the student's parent or guardian if
16 the student is a minor, initial application approval by the
17 school district in which the student applicant is enrolled, and
18 submission of approved applications by a school district to the
19 department.

20 2. The nonvoting student member's school district of
21 enrollment shall notify the student's parents if the student's
22 grade point average falls during the period in which the
23 student is a member of the state board.

24 3. The state board shall adopt rules under chapter 17A
25 specifying criteria for the selection of applicants whose names
26 shall be submitted to the governor. Criteria shall include,
27 but are not limited to, academic excellence, participation
28 in extracurricular and community activities, and interest in
29 serving on the board. Rules adopted by the state board shall
30 also require, if the student is a minor, supervision of the
31 student by the student's parent or guardian while the student
32 is engaged in authorized state board business at a location
33 other than the community in which the student resides, unless
34 the student's parent or guardian submits to the state board a
35 signed release indicating the parent or guardian has determined

1 that supervision of the student by the parent or guardian is
2 unnecessary.

3 4. The nonvoting student member appointment is not subject
4 to section 69.16 or 69.16A.

5 5. The nonvoting student member shall have been enrolled
6 in a public school in Iowa for at least one year prior to the
7 member's appointment. ~~A nonvoting student member who will not~~
8 ~~graduate from high school prior to the end of a second term may~~
9 ~~apply to the state board for submission of candidacy to the~~
10 ~~governor for a second one-year term.~~

11 6. A nonvoting student member shall be paid a per diem as
12 provided in section 7E.6 and the student and the student's
13 parent or guardian shall be reimbursed for actual and necessary
14 expenses incurred in the performance of the student's duties as
15 a nonvoting member of the state board.

16 7. A vacancy in the membership of the nonvoting student
17 member shall not be filled until the expiration of the term.

18 Sec. 2. Section 256.30, Code 2013, is amended to read as
19 follows:

20 **256.30 Educational expenses for American Indians.**

21 1. For the fiscal year beginning July 1, 2011, and ending
22 June 30, 2012, and for each succeeding fiscal year, there
23 is appropriated from the general fund of the state to the
24 department the sum of one hundred thousand dollars. The
25 department shall distribute the appropriation to the tribal
26 council of the Sac and Fox Indian settlement for expenses of
27 educating American Indian children residing in the Sac and Fox
28 Indian settlement on land held in trust by the secretary of
29 the interior of the United States in excess of federal moneys
30 paid to the tribal council for educating the American Indian
31 children ~~when moneys are appropriated for that purpose. The~~
32 ~~tribal council shall administer the moneys distributed pursuant~~
33 ~~to this section and shall submit an annual report and other~~
34 ~~reports as required by the department to the department on the~~
35 ~~expenditure of the moneys.~~

1 2. The tribal council shall administer the moneys
2 distributed by the department pursuant to subsection 1 and
3 shall first use moneys distributed to it by the department
4 ~~of education for the purposes of this section~~ to pay the
5 additional costs of salaries for licensed instructional staff
6 for educational attainment and full-time equivalent years
7 of experience to equal the salaries listed on the proposed
8 salary schedule for the school at the Sac and Fox Indian
9 settlement for that school year, but the salary for a licensed
10 instructional staff member employed on a full-time basis shall
11 not be less than eighteen thousand dollars. The department of
12 management shall approve allotments of moneys appropriated in
13 and distributed pursuant to this section ~~when the department of~~
14 ~~education certifies to the department of management that the~~
15 ~~requirements of this section have been met.~~

16 Sec. 3. Section 257.6, subsection 1, paragraph a,
17 subparagraph (3), Code 2013, is amended to read as follows:

18 (3) Shared-time and part-time pupils of school age enrolled
19 in public schools within the district, irrespective of the
20 districts in which the pupils reside, in the proportion that
21 the time for which they are enrolled or receive instruction for
22 the school year is to the time that full-time pupils carrying
23 a normal course schedule, at the same grade level, in the
24 same school district, for the same school year, are enrolled
25 and receive instruction. Tuition charges to the parent or
26 guardian of a shared-time or part-time nonresident pupil shall
27 be reduced by the amount of any increased state aid received by
28 the district by the counting of the pupil. This subparagraph
29 applies to pupils enrolled in grades nine through twelve under
30 section 299A.8 and to pupils from accredited nonpublic schools
31 accessing classes or services on the accredited nonpublic
32 school premises or the school district site, but excludes
33 accredited nonpublic school pupils receiving classes or
34 services funded entirely by federal grants or allocations.

35 Sec. 4. Section 257.11, subsection 3, paragraph c, Code

1 2013, is amended by striking the paragraph.

2 Sec. 5. Section 257.11, Code 2013, is amended by adding the
3 following new subsection:

4 NEW SUBSECTION. 7A. *District to community college*
5 *innovative sharing project.* A school district that collaborates
6 with a community college to provide pupils enrolled in the
7 school district's high school with a class that uses an
8 activities-based, project-based, and problem-based learning
9 approach that is offered through a partnership with a
10 nationally recognized provider of rigorous and innovative
11 science, technology, engineering, and mathematics curriculum
12 for schools, which provider is exempt from taxation under
13 section 501(c)(3) of the Internal Revenue Code, is eligible to
14 assign its resident pupils attending the class an additional
15 weighting of the percentage of the pupil's school day during
16 which the pupil attends a class described in this subsection
17 times seventy hundredths. To qualify for additional weighting,
18 the class must supplement, not supplant, high school courses
19 required to be offered pursuant to section 256.11, subsection
20 5.

21 Sec. 6. Section 257.37, subsection 4, Code 2013, is amended
22 to read as follows:

23 4. "*Enrollment served*" means the basic enrollment plus the
24 number of nonpublic school pupils served with media services
25 or educational services, as applicable, except that if a
26 nonpublic school pupil or a pupil attending another district
27 under a whole grade sharing agreement or open enrollment
28 receives services through an area other than the area of the
29 pupil's residence, the pupil shall be deemed to be served by
30 the area of the pupil's residence, which shall by contractual
31 arrangement reimburse the area through which the pupil actually
32 receives services. Each school district shall include in
33 the enrollment report submitted pursuant to section 257.6,
34 subsection 1, the number of nonpublic school pupils within each
35 school district for media and educational services served by

1 the area. However, the school district shall not include in
2 the enrollment report nonpublic school pupils receiving classes
3 or services funded entirely by federal grants or allocations.

4 Sec. 7. Section 258.12, Code 2013, is amended to read as
5 follows:

6 **258.12 Custodian of funds — reports.**

7 The treasurer of state shall be custodian of the funds
8 paid to the state from the appropriations made under said Act
9 of Congress, and shall disburse the same on vouchers audited
10 as provided by law. ~~The treasurer of state shall report~~
11 ~~the receipts and disbursements of said funds to the general~~
12 ~~assembly at each biennial session.~~

13 Sec. 8. Section 259A.1, Code 2013, is amended to read as
14 follows:

15 **259A.1 Tests.**

16 The department of education shall cause to be made
17 available for qualified individuals a high school equivalency
18 diploma. The diploma shall be issued on the basis of
19 satisfactory competence as shown by tests covering all of the
20 following: reading, ~~arts~~, language arts, writing literacy,
21 mathematics, science, and social studies.

22 Sec. 9. Section 259A.2, unnumbered paragraph 2, Code 2013,
23 is amended to read as follows:

24 Application shall be made to a testing center approved by the
25 department of education, accompanied by an application fee in
26 an amount prescribed by the department. The test scores shall
27 be forwarded by the ~~testing center~~ scorer of the test to the
28 department.

29 Sec. 10. Section 273.3, subsection 12, Code 2013, is amended
30 to read as follows:

31 12. Prepare an annual budget estimating income and
32 expenditures for programs and services as provided in sections
33 273.1, 273.2, this section, sections 273.4 to 273.9, and
34 chapter 256B within the limits of funds provided under section
35 256B.9 and chapter 257. The board shall give notice of a

1 public hearing on the proposed budget by publication in an
 2 official county newspaper in each county in the territory
 3 of the area education agency in which the principal place
 4 of business of a school district that is a part of the area
 5 education agency is located. The notice shall specify the
 6 date, which shall be not later than March 1 of each year, the
 7 time, and the location of the public hearing. The proposed
 8 budget as approved by the board shall then be submitted to the
 9 state board of education, on forms provided by the department,
 10 no later than March 15 preceding the next fiscal year for
 11 approval. The state board shall review the proposed budget of
 12 each area education agency and shall before ~~April~~ May 1, either
 13 grant approval or return the budget without approval with
 14 comments of the state board included. An unapproved budget
 15 shall be resubmitted to the state board for final approval not
 16 later than ~~April~~ May 15. ~~For the fiscal year beginning July~~
 17 ~~1, 1999, and each succeeding fiscal year, the~~ The state board
 18 shall give final approval only to budgets submitted by area
 19 education agencies accredited by the state board or that have
 20 been given conditional accreditation by the state board.

21 Sec. 11. Section 273.13, Code 2013, is amended to read as
 22 follows:

23 **273.13 Administrative expenditures.**

24 ~~During the budget year beginning July 1, 1989, and the~~
 25 ~~three succeeding budget years, the board of directors of~~
 26 ~~an area education agency in which the~~ The administrative
 27 expenditures as a percent of the an area education agency's
 28 operating general fund for a base year shall not exceed five
 29 percent ~~shall reduce its administrative expenditures to five~~
 30 ~~percent of the area education agency's operating fund. During~~
 31 ~~each of the four years, the board of directors shall reduce~~
 32 ~~administrative expenditures by twenty-five percent of the~~
 33 ~~reduction in administrative expenditure required by this~~
 34 ~~section. Thereafter, the administrative expenditures shall~~
 35 ~~not exceed five percent of the operating fund. Annually, the~~

1 board of directors shall certify to the department of education
 2 the amounts of the area education agency's expenditures and
 3 its ~~operating~~ general fund. For the purposes of this section,
 4 "~~base year~~" and "~~budget year~~" ~~mean~~ means the same as defined in
 5 ~~section 442.6, Code 1989,~~ and section 257.2, and "~~administrative~~
 6 ~~expenditures~~" means expenditures for executive administration.

7 Sec. 12. Section 273.23, subsection 5, Code 2013, is amended
 8 to read as follows:

9 5. The initial board, or new board if established in time
 10 under subsection 3, of the newly formed agency shall prepare an
 11 annual budget estimating income and expenditures for programs
 12 and services as provided in sections 273.1 through 273.9
 13 and chapter 256B within the limits of funds provided under
 14 section 256B.9 and chapter 257. The board shall give notice
 15 of a public hearing on the proposed budget by publication in
 16 an official county newspaper in each county in the territory
 17 of the area education agency in which the principal place
 18 of business of a school district that is a part of the area
 19 education agency is located. The notice shall specify the
 20 date, which shall not be later than March 1, the time, and
 21 the location of the public hearing. The proposed budget as
 22 approved by the board shall be submitted to the state board,
 23 on forms provided by the department, no later than March 15
 24 for approval. The state board shall review the proposed
 25 budget of the newly formed area education agency and shall,
 26 before ~~April~~ May 1, either grant approval or return the budget
 27 without approval with comments of the state board included. An
 28 unapproved budget shall be resubmitted to the state board for
 29 final approval not later than ~~April~~ May 15. The state board
 30 shall give final approval only to budgets submitted by area
 31 education agencies accredited by the state board or that have
 32 been given conditional accreditation by the state board.

33 Sec. 13. Section 275.23A, subsection 2, Code 2013, is
 34 amended to read as follows:

35 2. Following each federal decennial census the school

1 board shall determine whether the existing director district
2 boundaries meet the standards in subsection 1 according to
3 the most recent federal decennial census. In addition to the
4 authority granted to voters to change the number of directors
5 or method of election as provided in sections 275.35, 275.36,
6 and 278.1, the board of directors of a school district may,
7 following a federal decennial census, by resolution and in
8 accordance with this section, authorize a change in the method
9 of election as set forth in section 275.12, subsection 2, or
10 a change to either five or seven directors after the board
11 conducts a hearing on the resolution. If the board proposes to
12 change the number of directors from seven to five directors,
13 the resolution shall include a plan for reducing the number
14 of directors. If the board proposes to increase the number
15 of directors to seven directors, two directors shall be
16 added according to the procedure described in section 277.23,
17 subsection 2. If necessary, the board of directors shall
18 redraw the director district boundaries. The director district
19 boundaries shall be described in the resolution adopted by
20 the school board. The resolution shall be adopted no earlier
21 than November 15 of the second year immediately following the
22 year in which the federal decennial census is taken nor later
23 than May 15 of the ~~second~~ third year immediately following
24 the year in which the federal decennial census is taken.
25 A copy of the plan shall be filed with the area education
26 agency administrator of the area education agency in which the
27 school's electors reside. If the board does not provide for
28 an election as provided in sections 275.35, 275.36, and 278.1
29 and adopts a resolution to change the number of directors or
30 method of election in accordance with this subsection, the
31 district shall change the number of directors or method of
32 election as provided unless, within twenty-eight days following
33 the action of the board, the secretary of the board receives a
34 petition containing the required number of signatures, asking
35 that an election be called to approve or disapprove the action

1 of the board in adopting the resolution. The petition must be
 2 signed by eligible electors equal in number to not less than
 3 one hundred or thirty percent of the number of voters at the
 4 last preceding regular school election, whichever is greater.
 5 The board shall either rescind its action or direct the
 6 county commissioner of elections to submit the question to the
 7 registered voters of the school district at an election held
 8 on a date specified in section 39.2, subsection 4, paragraph
 9 "c". If a majority of those voting on the question at the
 10 election favors disapproval of the action of the board, the
 11 district shall not change the number of directors or method of
 12 election. If a majority of those voting on the question does
 13 not favor disapproval of the action, the board shall certify
 14 the results of the election to the department of management and
 15 the district shall change the number of directors or method of
 16 election as provided in this subsection. At the expiration of
 17 the twenty-eight-day period, if no petition is filed, the board
 18 shall certify its action to the department of management and
 19 the district shall change the number of directors or method of
 20 election as provided in this subsection.

21 Sec. 14. Section 278.1, subsection 1, paragraph e, Code
 22 2013, is amended to read as follows:

23 e. Direct the transfer of any surplus in the debt service
 24 fund, physical plant and equipment levy fund, or other capital
 25 projects project funds, or public education and recreation levy
 26 fund to the general fund.

27 Sec. 15. Section 279.30, Code 2013, is amended to read as
 28 follows:

29 **279.30 Exceptions.**

30 Each payment must be made payable to the person entitled to
 31 receive the money or deposited directly into an account at a
 32 financial institution, as defined in section 527.2, specified
 33 by the person entitled to receive the money. The board of
 34 directors of a school district or an area education agency may
 35 by resolution authorize the secretary, upon approval of the

1 superintendent or designee, or administrator, in the case of
 2 an area education agency, to issue payments when the board
 3 of directors is not in session in payment of reasonable and
 4 necessary expenses, but only upon verified bills filed with the
 5 secretary or administrator, and for the payment of salaries
 6 pursuant to the terms of a written contract. Each payment
 7 must be made payable only to the person performing the service
 8 or presenting the verified bill, and must state the purpose
 9 for which the payment is issued. All bills and salaries for
 10 which payments are issued prior to audit and allowance by the
 11 board must be passed upon by the board of directors at the next
 12 meeting and be entered in the regular minutes of the secretary.

13 Sec. 16. Section 279.42, Code 2013, is amended to read as
 14 follows:

15 **279.42 Gifts to schools.**

16 The board of directors of a school district ~~which that~~
 17 receives funds through ~~gifts, devises, and bequests~~ a gift,
 18 devise, or bequest shall deposit ~~these the~~ funds in a trust
 19 and fund, permanent fund, or agency fund and shall use ~~them~~
 20 the funds in accordance with the terms of the gift, devise, or
 21 bequest.

22 Sec. 17. Section 279.45, Code 2013, is amended to read as
 23 follows:

24 **279.45 Administrative expenditures.**

25 ~~For the budget year beginning July 1, 1989, and each of~~
 26 ~~the following three budget years, the board of directors of a~~
 27 ~~school district in which the~~ The administrative expenditures
 28 as a percent of the a school district's operating general fund
 29 for a base year shall not exceed five percent, ~~shall reduce its~~
 30 ~~administrative expenditures so that they are one-half percent~~
 31 ~~less as a percent of the school district's operating fund than~~
 32 ~~they were for the base year. However, a school district is~~
 33 ~~not required to reduce its administrative expenditures below~~
 34 ~~five percent of its operating fund. Thereafter, a school~~
 35 ~~district shall not increase the percent of its administrative~~

1 ~~expenditures compared to its operating fund.~~ Annually,
 2 the board of directors shall certify to the department of
 3 education the amounts of the school district's administrative
 4 expenditures and its operating general fund. For the purposes
 5 of this section, "*base year*" and "*budget year*" mean means
 6 the same as defined in ~~section 442.6, Code 1989,~~ and section
 7 257.2, and "*administrative expenditures*" means expenditures for
 8 executive administration.

9 Sec. 18. Section 282.10, subsection 4, Code 2013, is amended
 10 to read as follows:

11 4. A whole grade sharing agreement shall be signed by the
 12 boards of the districts involved in the agreement not later
 13 than February 1 of the school year preceding the school year
 14 for which the agreement is to take effect. The boards of
 15 the districts shall negotiate as part of the new or existing
 16 agreement the disposition of ~~teacher quality~~ funding provided
 17 under chapter 284.

18 Sec. 19. Section 282.20, unnumbered paragraph 3, Code 2013,
 19 is amended to read as follows:

20 On or before February 15 and ~~June~~ July 15 of each year
 21 the secretary of the creditor district shall deliver to the
 22 secretary of the debtor district an itemized statement of such
 23 tuition fees.

24 Sec. 20. Section 291.1, Code 2013, is amended to read as
 25 follows:

26 **291.1 President — duties.**

27 The president of the board of directors shall preside at
 28 all of its meetings, sign all contracts made by the board, and
 29 appear ~~in~~ on behalf of the corporation in all actions brought
 30 by or against it, unless individually a party, in which case
 31 this duty shall be performed by the secretary. The president
 32 or the president's designee shall sign, using an original or
 33 facsimile signature, all school district ~~warrants~~ payments
 34 drawn and authorize electronic funds transfers as provided by
 35 law. The board of directors, by resolution, may designate an

1 individual, who shall not be the secretary, to sign ~~warrants~~
2 payments or authorize electronic funds transfers on behalf of
3 the president.

4 Sec. 21. Section 291.6, subsection 3, Code 2013, is amended
5 by striking the subsection and inserting in lieu thereof the
6 following:

7 3. *Accounting records.* Keep an accurate accounting record
8 of each payment or electronic funds transfer from each fund
9 which shall be provided monthly to the board of directors. The
10 secretary of the creditor district shall prepare and deliver to
11 debtor districts an itemized statement of tuition fees charged
12 in accordance with sections 275.55A and 282.11, and section
13 282.24, subsection 1.

14 Sec. 22. Section 291.6, subsection 4, Code 2013, is amended
15 to read as follows:

16 4. *Claims.* Keep an accurate ~~account~~ accounting of all
17 expenses incurred by the corporation, and present the same to
18 the board for audit and payment.

19 Sec. 23. Section 291.7, Code 2013, is amended to read as
20 follows:

21 **291.7 Monthly receipts, disbursements, and balances.**

22 The secretary of each district shall file monthly with the
23 board of directors a complete statement of all receipts and
24 disbursements from ~~the various funds~~ each individual fund
25 during the preceding month, and also the balance remaining on
26 hand in ~~the various funds~~ each individual fund at the close of
27 the period covered by the statement, which monthly statements
28 shall be open to public inspection.

29 Sec. 24. Section 291.8, Code 2013, is amended by striking
30 the section and inserting in lieu thereof the following:

31 **291.8 Payments and electronic funds transfers.**

32 The secretary shall make each authorized payment,
33 countersign using an original or facsimile signature, and
34 maintain accounting records of the payments or electronic funds
35 transfers, showing the number, date, payee, originating fund,

1 the purpose, and the amount, and shall provide to the board at
2 each regular annual meeting a copy of the accounting records
3 maintained by the secretary.

4 Sec. 25. Section 291.12, Code 2013, is amended to read as
5 follows:

6 **291.12 Duties of treasurer — ~~payment of warrants receipts~~**
7 **and expenditures.**

8 The treasurer shall receive all moneys belonging to the
9 corporation, pay the same out only upon the order of the
10 president countersigned by the secretary, ~~keeping~~ and shall
11 keep an accurate account accounting record of all receipts
12 and expenditures ~~in a book provided for that purpose.~~ The
13 treasurer shall register all ~~orders drawn~~ payments and
14 electronic funds transfers made and reported to the treasurer
15 by the secretary, showing the number, date, to whom drawn, the
16 fund ~~upon~~ from which ~~drawn~~ each payment and transfer was made,
17 the purpose and amount.

18 Sec. 26. Section 291.14, Code 2013, is amended to read as
19 follows:

20 **291.14 Financial statement.**

21 The treasurer shall render a statement of the finances of the
22 corporation whenever required by the board, and the treasurer's
23 ~~books~~ accounting records shall always be open for inspection.

24 Sec. 27. Section 298.2, subsections 1 and 5, Code 2013, are
25 amended to read as follows:

26 1. A physical plant and equipment levy of not exceeding
27 one dollar and sixty-seven cents per thousand dollars of
28 assessed valuation in the district is established except as
29 otherwise provided in this subsection. The physical plant
30 and equipment levy consists of the regular physical plant
31 and equipment levy of not exceeding thirty-three cents per
32 thousand dollars of assessed valuation in the district and
33 a voter-approved physical plant and equipment levy of not
34 exceeding one dollar and thirty-four cents per thousand
35 dollars of assessed valuation in the district. However, the

1 voter-approved physical plant and equipment levy may consist
 2 of a combination of a physical plant and equipment property
 3 tax levy and a physical plant and equipment income surtax
 4 as provided in subsection 4 with the maximum amount levied
 5 and imposed limited to an amount that could be raised by a
 6 one dollar and thirty-four cent property tax levy. ~~The levy~~
 7 ~~limitations of this subsection are subject to subsection 6.~~

8 5. a. The proposition to levy the voter-approved physical
 9 plant and equipment levy is not affected by a change in
 10 the boundaries of the school district, except as otherwise
 11 provided in this section. If each school district involved
 12 in a school reorganization under chapter 275 has adopted
 13 the voter-approved physical plant and equipment levy ~~or the~~
 14 ~~sixty-seven and one-half cents per thousand dollars of assessed~~
 15 ~~value schoolhouse levy under section 278.1, subsection 7,~~
 16 ~~Code 1989, prior to July 1, 1991,~~ and if the voters have not
 17 voted upon the proposition to levy the voter-approved physical
 18 plant and equipment levy in the reorganized district, the
 19 existing voter-approved physical plant and equipment levy ~~or~~
 20 ~~the existing schoolhouse levy, as applicable,~~ is in effect for
 21 the reorganized district for the least amount and the shortest
 22 time for which it is in effect in any of the districts.

23 b. ~~Authorized levies~~ An authorized levy for the period of
 24 time approved ~~are~~ is not affected as a result of a failure of a
 25 proposition proposed to expand the purposes for which the funds
 26 may be expended.

27 Sec. 28. Section 298.2, subsection 6, Code 2013, is amended
 28 by striking the subsection.

29 Sec. 29. Section 298.3, subsection 1, Code 2013, is amended
 30 by adding the following new paragraph:

31 NEW PARAGRAPH. n. The purchase, lease, or lease-purchase of
 32 desks, furniture, or fixtures exceeding five hundred dollars in
 33 value per purchase, lease, or lease-purchase transaction. Each
 34 transaction may include multiple desk, furniture, or fixture
 35 units.

1 Sec. 30. Section 298A.4, Code 2013, is amended to read as
2 follows:

3 **298A.4 Physical plant and equipment levy fund.**

4 The physical plant and equipment levy fund is a ~~special~~
5 revenue capital project fund. A physical plant and equipment
6 levy fund must be established in any school corporation which
7 levies the tax authorized, whether regular or voter-approved,
8 under section 298.2.

9 Sec. 31. Section 298A.9, Code 2013, is amended to read as
10 follows:

11 **298A.9 Capital project funds.**

12 A capital project fund must be established in any school
13 corporation which issues bonds or other authorized indebtedness
14 for capital projects or which initiates a capital project, or
15 which receives grants or other funds for capital projects.
16 Boards are authorized to establish more than one capital
17 project fund as necessary. Any balance remaining in a capital
18 project fund after the capital project is completed may be
19 retained for future capital projects in accordance with the
20 original purpose of the bond issue or voter-approved levy; or
21 may be transferred, by board resolution, to the debt service
22 fund, to the physical plant and equipment levy fund or another
23 capital project fund, or ~~other~~ to the fund from which the
24 surplus originated; or transferred to the general fund in
25 accordance with section 278.1, subsection 1, paragraph "e".

26 Sec. 32. Section 298A.13, Code 2013, is amended to read as
27 follows:

28 **298A.13 Trust, permanent, or agency funds.**

29 Trust, permanent, or agency funds shall be established by
30 any school corporation to account for gifts it receives to
31 be used for a particular purpose or to account for money and
32 property received and administered by the district as trustee
33 or custodian or in the capacity of an agent. Boards may
34 establish trust ~~and, permanent, or agency~~ funds as necessary.

35 Sec. 33. Section 321.375, subsection 2, Code 2013, is

1 amended to read as follows:

2 2. Prior to hiring an applicant for a school bus driver
3 position, including a contract position, an employer shall have
4 access to and shall review the information in the Iowa court
5 information system available to the general public, the sex
6 offender registry information under section 692A.121 available
7 to the general public, the central registry for child abuse
8 information established under section 235A.14, and the central
9 registry for dependent adult abuse information established
10 under section 235B.5 for information regarding the applicant.
11 An employer shall follow the same procedure ~~every five years~~
12 upon the renewal of an employee's or contract employee's school
13 bus driver's license issued by the department of transportation
14 valid for the operation of a school bus. An employer shall
15 pay for the cost of the registry checks conducted pursuant to
16 this subsection. An employer shall maintain documentation
17 demonstrating compliance with this subsection.

18 Sec. 34. Section 423F.3, subsection 1, paragraph d, Code
19 2013, is amended by striking the paragraph.

20 Sec. 35. REPEAL. Sections 256.20, 256.21, 256.22, 256.23,
21 256.38, 297.35, and 298A.5, Code 2013, are repealed.

22 Sec. 36. APPLICABILITY. The following provision or
23 provisions of this Act apply to school budget years beginning
24 on or after July 1, 2013:

25 1. The section of this Act amending section 298.3,
26 subsection 1.

27 EXPLANATION

28 This bill makes various changes to Code provisions relating
29 to education as follows:

30 STUDENT STATE BOARD OF EDUCATION MEMBER. Code section
31 256.5A is amended to change the term of the nonvoting student
32 member of the state board of education from one year for all
33 students to one year for students in grade 11 and two years for
34 students in grade 10.

35 AMERICAN INDIAN EDUCATION EXPENSES. Code section 256.30

1 provides for the distribution and administration of moneys to
 2 pay the expense of educating American Indian children residing
 3 in the Sac and Fox Indian settlement. The bill eliminates
 4 language that requires the tribal council to submit an annual
 5 report and other reports as required to the department of
 6 education on the expenditure of the moneys, and eliminates
 7 language that requires the department of education to certify
 8 compliance before the department of management can approve
 9 allotment of the moneys.

10 ACCREDITED NONPUBLIC SCHOOL PUPIL ENROLLMENT. Code section
 11 257.6 is amended to specify that dual enrolled pupils in
 12 grades 9 through 12 and accredited nonpublic school pupils
 13 enrolled part-time in a school district are eligible to be
 14 counted proportionally as shared-time or part-time pupils
 15 in a school district's enrollment, but accredited nonpublic
 16 pupils receiving classes or services funded entirely by federal
 17 grants or allocations are not eligible to be counted in a
 18 school district's enrollment. The bill makes a corresponding
 19 change to the definition of "enrollment served" in Code section
 20 257.37, subsection 4.

21 VOCATIONAL EDUCATION REPORT. The bill amends Code section
 22 258.12 to eliminate a provision that requires the treasurer of
 23 state to annually report to the general assembly the receipts
 24 and disbursements of the funds paid to the state under the
 25 federal Carl D. Perkins Vocational and Technical Education Act
 26 of 1998.

27 HIGH SCHOOL EQUIVALENCY DIPLOMAS. The bill amends Code
 28 sections 259A.1 and 259A.2 to change subjects covered by high
 29 school equivalency diploma tests by eliminating arts and
 30 writing and adding literacy, and to require the test scorer,
 31 rather than the testing center, to forward test scores to the
 32 department.

33 DISTRICT TO COMMUNITY COLLEGE INNOVATIVE SHARING
 34 PROJECT. The bill separates from language that provides for
 35 district-to-community college sharing and concurrent enrollment

1 program requirements a provision assigning additional
2 supplementary weighting for high school pupils who are enrolled
3 in a class that uses an activities-based, project-based, and
4 problem-based learning approach offered through a partnership
5 with a nationally recognized nonprofit provider of rigorous and
6 innovative science, technology, engineering, and mathematics
7 curriculum for schools. The bill moves the language to a new
8 subsection of Code section 257.11 and authorizes a school
9 district to assign its resident pupils attending the class an
10 additional weighting of the percentage of the pupil's school
11 day during which the pupil attends such classes times seventy
12 hundredths.

13 AEA BUDGET DEADLINES. Code sections 273.3 and 273.23
14 are amended to extend by one month the dates by which area
15 education agency proposed budgets must be reviewed, approved,
16 or returned by the state board and resubmitted to the state
17 board if the first submission is not approved.

18 REDISTRICTING FOLLOWING FEDERAL DECENNIAL CENSUS. Code
19 section 275.23A is amended to move the dates back by which a
20 resolution describing new director district boundaries must be
21 adopted by the school board if the school board redraws its
22 director district boundaries following the federal decennial
23 census. Currently, the resolution can be adopted no earlier
24 than November 15 of the year immediately following the year
25 in which the federal decennial census is taken nor later than
26 May 15 of the second year immediately following the year in
27 which the federal decennial census is taken. The bill moves
28 the timelines to no sooner than November 15 of the second year
29 following the federal decennial census and no later than May 15
30 of the third year following the federal decennial census.

31 SCHOOL AND AEA BOARD PAYMENTS AND WARRANTS. Code section
32 279.30 is amended to allow the board of directors of a
33 school district or of an AEA to direct deposit a payment at
34 a financial institution specified by the person entitled to
35 the money. Code sections 291.1, 291.6, 291.7, 291.8, 291.12,

1 and 291.14 are amended to replace references to "books",
 2 "registers", and "warrants" with references to payments,
 3 electronic funds transfers, and accounting records and to make
 4 related changes.

5 SCHOOL FUNDS FOR GIFTS. Code sections 279.42 and 298A.13 are
 6 amended to give school districts the option of establishing a
 7 permanent fund for gifts received and to allow school districts
 8 to deposit funds received from gifts, devises, and bequests
 9 into a trust fund, permanent fund, or agency fund.

10 SCHOOL DISTRICT ADMINISTRATIVE EXPENDITURES. Code sections
 11 273.13 and 279.45 are amended to modify language related
 12 to a requirement that a school district limit its annual
 13 administrative expenses to not more than 5 percent of its
 14 general fund for a base year and to replace references to the
 15 term "operating fund" with "general fund".

16 WHOLE GRADE SHARING AGREEMENTS. Code section 282.10 is
 17 amended to provide that the boards of directors of school
 18 districts must negotiate the disposition of any funding
 19 provided under Code chapter 284, not solely teacher quality
 20 funding.

21 TUITION FEES. The bill amends Code section 282.20 to change
 22 the date by which the secretary of a creditor district must
 23 deliver to the secretary of a debtor district an itemized
 24 statement of the tuition fees for nonresident pupils enrolled
 25 by the creditor district.

26 PHYSICAL PLANT AND EQUIPMENT LEVY. Code section 298A.4
 27 is amended to describe the physical plant and equipment levy
 28 fund as a "capital project fund", rather than a "special
 29 revenue fund". Corresponding changes are made to Code sections
 30 278.1(1)(e), 298.2(5)(a), and 298A.9, while Code sections
 31 298.2(6) and 423F.3(1)(d) are stricken.

32 REVENUES FROM CERTAIN LEVIES. The bill modifies Code
 33 section 298.3(1) to allow the revenue from the regular and
 34 voter-approved physical plant and equipment levies to be
 35 expended for the purchase, lease, or lease-purchase of desks,

1 furniture, or fixtures exceeding \$500 in value per transaction.
2 Each transaction may include multiple units. These provisions
3 apply to school budget years beginning on or after July 1,
4 2013.

5 SCHOOL BUS DRIVERS. The bill amends Code section 321.375 to
6 provide that the employer of a school bus driver must conduct
7 a review of information in the Iowa court information system
8 and the sex offender, child abuse, and dependent adult abuse
9 registries for information about the driver upon renewal of the
10 driver's school bus driver's license. Currently, the review
11 is required to be conducted every five years upon renewal of
12 the license.

13 OTHER REPEALS. The bill repeals Code sections relating to
14 authorization sought by school districts from the department
15 of education for the maintenance of year around schools, for
16 a grant program to provide sabbaticals for teachers, for
17 an extended year school grant program, for a pilot project
18 to encourage the advancement of women and minorities to
19 administrative positions in a school district, and for the
20 development of a statewide school-to-work system. The bill
21 also repeals references to the schoolhouse tax levy and fund.